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MIAMI BEACH

**SHIP LOCAL HOUSING ASSISTANCE PLAN
(LHAP)**

FISCAL YEARS COVERED

2010/2011, 2011/2012 and 2012/2013

DRAFT

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I. PROGRAM DESCRIPTION:

- A. Name of the Participating Local Government and Interlocal (if Applicable):**
Section 420.9072 (5) *Florida Statutes*

City of Miami Beach

Interlocal: Yes _____ No X

- B. Purpose of the Program:**

Creation of the Plan is for the purpose of meeting the housing needs of the very low, low, and moderate income households; to expand production of and preserve affordable housing; and to further the housing element of the local government comprehensive plan specific to affordable housing.

- C. Fiscal years covered by the Plan:**

2010/2011

2011/2012

2012/2013

- D. Governance:** *Chapter 67-37.005(3) and (5)(i) F.A.C. and Section 420.907.1(14) F.S.*

The SHIP Program is established in accordance with Section 420.907-9079, Florida Statutes and Chapter 67-37.007 Florida Administrative Code. Cities and Counties must at all times be in compliance with applicable statutes and rules: 420.907-9079 F.S., and Chapter 67-37, F.A.C.

The SHIP Program does further the housing element of the local government Comprehensive Plan.

- E. Local Housing Partnership:** *Section 420.9072(1)(a), F.S.*

SHIP Program encourages building active partnerships between government, lenders, builders and developers, real estate professionals, advocates for low-income persons and community groups.

The City of Miami Beach works closely with its designated Community Housing Development Organization (CHDO), as well as other local groups involved in local housing activities, in the development of its Local Housing Assistance Plan.

- F. Leveraging:**

The Plans are intended to increase the availability of affordable residential units by combining local resources and cost saving measures into a local housing

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partnership and using public and private funds to reduce the cost of housing. SHIP funds may be leveraged with or used to supplement other Florida Housing Finance Corporation programs and to provide local match to obtain federal housing grants or programs.

The City of Miami Beach is an Entitlement Community which receives HOME and CDBG funds from the U.S. Department of Housing and Urban Development (HUD) that will be used, in combination with other local funds, to leverage SHIP funds and reduce the cost of housing in the City.

G. Public Input:

Public input was solicited through face to face meetings with housing providers, social service providers, local lenders and neighborhood associations through public meetings. Public input was solicited through the local newspaper in the advertising of the Local Housing Assistance Plan and the Notice of Funding Availability (NOFA), as appropriate.

H. Advertising and Outreach

The City advertises the Notice Of Funding Availability for SHIP funds in a newspaper of general circulation and periodicals serving ethnic and diverse neighborhoods, at least 30 days before the beginning of the application period.

I. Discrimination:

In accordance with the provisions of ss.760.20-760.37, the City of Miami Beach does not discriminate on the basis of race, creed, religion, color, age, sex, sexual orientation, marital status, familial status, national origin, or handicap in the award application process for eligible housing.

J. Support Services and Counseling:

Support services are available from various sources. Available support services may include, but are not limited to:

- Homeownership counseling (pre and post)
- Credit counseling
- Tenant counseling
- Transportation
- Legal counseling,
- Health and psychological services
- Employment and training
- Consumer credit
- Fair housing

Note: All sponsors receiving SHIP Program funds will be required to offer Home Ownership Training to prospective homebuyers. Such training will assist and prepare homebuyers for the acquisition and ownership of a home. Counseling

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services will be provided on a group and individual basis covering the following topics: the home buying process; finding money for a down-payment; dealing with financial crisis; how to set up a budget; the importance of good credit; dispute resolution; and how to maintain a home. Home Ownership Training must meet the standards set by U.S. HUD.

K. Purchase Price Limits:

Purchase Price Limits: The sales price or value of new or existing eligible housing may not exceed 90% of the average area purchase price in the statistical area in which the eligible housing is located. Such average area purchase price may be that calculated for any 12-month period beginning not earlier than the fourth calendar year prior to the year in which the award occurs. The sales price of new and existing units can be lower, but may not exceed 90% of the median area purchase price established by the U.S. Treasury Department or any other independent study.

The methodology used is:

☐ Independent Study (copy attached)

☐ U.S. Treasury Department

☒ Bond Study Numbers provided by Florida Housing Finance Corporation

The purchase price limit for new and existing homes: **\$329,268**

L. Income Limits, Rent Limits, and Affordability:

The Income and Rent Limits used in the SHIP Program are updated annually from the Department of Housing and Urban Development and distributed by Florida Housing Finance Corporation. Affordable, means that monthly rents or mortgage payments including taxes and insurance do not exceed 30 percent of that amount which represents the percentage of the median annual gross income for the households as indicated in Sections 420.9071 (19), (20) and (28), F.S.

However it is not the intent to limit an individual household's ability to devote more than 30% of its income for housing, and housing for which a household devotes more than 30% of its income shall be deemed Affordable if the first institutional mortgage lender is satisfied that the household can afford mortgage payments in excess of the 30% benchmark and, in the case of rental housing, does not exceed those rental limits adjusted for bedroom size.

M. Welfare Transition Program:

The City has developed a qualification system and selection criteria for applications for awards to eligible sponsors, which includes a description that demonstrates how eligible sponsors that employed personnel from the Welfare Transition Program will be given preference in the selection process.

N. Monitoring and First Right of Refusal:

In the case of rental housing, the staff or entity that has administrative authority for implementing the local housing assistance plan assisting rental developments shall annually monitor and determine tenant eligibility or, to the extent another governmental entity provides the same monitoring and determination, a municipality, county or local housing financing authority may rely on such monitoring and determination of tenant eligibility. However, any loan or grant, in the original amount of \$3,000 or less shall not be subject to these annual monitoring and determination of tenant eligibility requirements. Tenant eligibility will be monitored at least annually for 15 years or the term of assistance, whichever is longer.

Eligible sponsors that offer rental housing for sale before 15 years or that have other remaining mortgages funded under the SHIP Program must give a first right of refusal to eligible nonprofit organizations for purchase at the current market value for continued occupancy by eligible persons.

O. Administrative Budget:

A detailed listing including line-item budget of proposed Administrative Expenditures is attached as Exhibit A. These are presented on an annual basis for each State fiscal year submitted.

The City finds that the monies deposited in the local housing assistance trust fund shall be used to administer and implement the local housing assistance plan. In accordance with Chapter 67-37, Florida Administrative Code, the cost of administering the plan does not exceed 5 percent of the local housing distribution monies and program income deposited into the trust fund.

The cost of administering the program may not exceed 10 percent of the local housing distribution plus 5% of program income deposited into the trust fund, except that small counties, as defined in s. 120.52(17), and eligible municipalities receiving a local housing distribution of up to \$350,000 may use up to 10 percent of program income for administrative costs.

The City of Miami Beach has adopted the above findings in the attached Resolution, Exhibit E.

P. Program Administration:

Administration of the Local Housing Assistance Plan is the responsibility of the *City of Miami Beach*. The City of Miami Beach's Office of Real Estate, Housing & Community Development will be the primary agency responsible for carrying out the strategies under the SHIP Housing Assistance Plan.

The City anticipates that it will use a sponsor to carry out program activities. In order to identify a sponsor, the City will issue a Competitive Notice of Funding Availability (NOFA) for various not-for-profit and for-profit builders/developers to participate in the program. Through the NOFA process, the City will ascertain the highest and best use of the funds in accordance with the guidelines outlined in this Plan. Selection criteria will include, but may not be limited to:

- (1) Ability to provide strong construction management practices and to provide first quality materials, including landscaping if applicable
- (2) Ability to perform all applicant selection and income certification processes in accordance with local, state, and federal regulations
- (3) Ability to comply with the City's reporting requirements
- (4) Total project cost
- (5) Total number of units
- (6) Leveraging
- (7) Ability to conform to the City's plan for spatial de-concentration
- (8) Ability to provide homeowners with Home Ownership Counseling
- (9) Ability to provide individualized training to homebuyers on issues such as home maintenance and budgeting
- (10) Ability to demonstrate that the organization participates in the WAGES and Workforce Development Initiative Program

The Office of Real Estate, Housing and Community Development will review all responses to the NOFA to ensure compliance with the requirements of the NOFA as well as under applicable Florida Statutes, the SHIP Ordinance, Resolutions and this Plan. All eligible applications will be submitted to the City's Loan Review Committee. The Committee will review all applications in accordance with the criteria as outlined in the NOFA.

Q. Essential Service Personnel

In accordance with Rule Chapter 67-37.002(8) F.A.C. and Chapter 67-37.005(8), F.A.C. and Section 420.9075(3)(a) FS, "Essential Service Personnel" are defined as income-eligible employees of Miami Beach businesses and organizations in the following industries:

- a. Accommodations and Food Services (including arts, entertainment and recreation);
- b. Retail Trade;
- c. Public Administration (including City of Miami Beach employees);
- d. Health Care; and
- e. Education (including public school district employees).

II. LHAP HOUSING STRATEGIES:

NOTE: In the event preference is given to Essential Service Personnel, plan text must so state pursuant to Chapter 67-37.005(8), F.A.C.

Description:

A. Housing Rehabilitation:

- a. **Summary of the Strategy:** Rehabilitation of single family, first-time home buyer or owner-occupied housing.

The Program will provide rehabilitation assistance to very low, low, and moderate income owner occupied single family housing located within the corporate limits of the City of Miami Beach. Up to fifty (50) percent of the funds will be targeted to assist Program participants who are Essential Service Personnel, as defined on Section I (Q) of this Plan. If the demand for assistance from this target population is not sufficient to fully utilize these funds, the balance of the funds will be used to assist participants who are not from the target group.

“Rehabilitation” will be defined as repairs or improvements that are needed for safe or sanitary habitation, correction of substantial code violations, or the creation of additional living space. Housing rehabilitated with SHIP funds must meet all applicable local codes, rehabilitation standards and ordinances, including, but not limited to, zoning ordinances. All projects must comply with the South Florida Building Code, Miami-Dade County Building Code, and City of Miami Beach Building Code. Additionally, all projects must comply with all other applicable laws, rules and regulations.

The City intends to exercise flexibility in determining whether condominium units for this strategy may be purchased/ rehabilitated at individual sites or to allow the purchase/rehabilitation of several units in one building, not to exceed more than one fifth of the units in the building. In general, the City will stress the need for the spatial de-concentration of assisted housing units throughout the City.

Disaster Mitigation/Recovery: As part of the Rehabilitation Strategy, only in the event of a natural disaster as declared by the President of the United States or the Governor of the State of Florida, the City will commit all unencumbered SHIP funding available, as well as any other additional disaster funds that may become accessible through the Florida Housing Finance Corporation or any other emergency funding sources. Disaster funds may be used, but not limited to, as follows:

- 1) Purchase of emergency supplies for eligible households to weatherproof damaged homes;
- 2) Interim repairs to prevent further damage, tree and debris removal required to make the housing unit habitable;
- 3) Payment of insurance deductibles for rehabilitation of homes covered under homeowners' insurance policies; and
- 4) Other activities as proposed by the Federal Government, counties and eligible municipalities and approved by Florida Housing Finance Corporation.

Rehabilitated units and newly-constructed housing utilizing SHIP funds must include at least four (4) of the following green strategies in order to promote environmentally sustainable housing:

- 1) Energy conservation (including Envelope and Equipment)
- 2) Water conservation
- 3) Preservation of wildlife habitat
- 4) Healthy environment
- 5) Durability (including sustainable materials)
- 6) Access and transportation

Further guidance is provided via Green Home Certification, Schedule A, Version 5.0 by the Florida Green Building Coalition, Inc.

- b. **Fiscal Years Covered:** 2010/11, 2011/12 and 2012/13
- c. **Income Categories to be served:** Eligible persons/households that are very low, low, or moderate income. See also Section I (L) of this Plan.
- d. **Maximum award as noted on the Housing Delivery Goals Charts:**
\$40,000
- e. **Terms, Recapture and Default:** Fifteen (15) years deferred payment loan at 0% interest. Full balance due if property is sold, rented, refinanced or the property fails to be the primary residence during the fifteen year term. Notwithstanding the previous restrictions, the owner

City of Miami Beach LHAP shall be allowed to refinance without being subject to the provisions set forth therein so long as the amount of the refinancing does not exceed the then outstanding balance of the first mortgage. Subordination will only be approved if the refinancing will lower the current mortgage payment and/or interest rate.

In the event that property is refinanced within 12 months of the expiration of the affordability period, and the refinance includes a cash-out of equity, the City shall be reimbursed using the following formula:

Dollar Amount of Lien multiplied by [Number of Months Remaining on Lien//Total Lien Period] = Reimbursement Amount

The City's interests will be secured through the execution of a mortgage and note as well as a Restrictive Covenant delineating the affordability period and terms.

- f. **Recipient Selection Criteria:** All recipients of assistance must meet the applicable eligibility requirements as stipulated in the Florida Statutes, SHIP Rule, and this Plan. Applicants will be selected from a waiting list on a first come, first ready basis. According to the SHIP Program regulations, 30% of the total number of recipients of assistance must be very low income applicants; 30% may be low-income applicants and the balance will be assigned to moderate income applicants.
- g. **Sponsor Selection Criteria:** See Section I (P) of this Plan.
- h. **Additional Information:** Mobile homes and trailers are not eligible for this strategy. Eligible housing must be located within the corporate limits of the City of Miami Beach.

B. New Construction:

- a. **Summary of the Strategy:** To develop home ownership opportunities, the City will assist very low, low, and moderate income buyers and persons with special needs to purchase affordable housing in Miami Beach.

Rehabilitated units and newly-constructed housing utilizing SHIP funds must include at least four (4) of the following green strategies in order to promote environmentally sustainable housing:

- 1) Energy conservation (including Envelope and Equipment)
- 2) Water conservation
- 3) Preservation of wildlife habitat

4) Healthy environment

5) Durability (including sustainable materials)

6) Access and transportation

Further guidance is provided via Green Home Certification, Schedule A, Version 5.0 by the Florida Green Building Coalition, Inc.

- b. **Fiscal Years Covered:** 2010/11, 2011/12 and 2012/13
- c. **Income Categories to be served:** Eligible persons/households that are very low, low, or moderate income. See Section I (L) of this Plan.
- d. **Maximum award is noted on the Housing Delivery Goals Charts:**
\$40,000
- e. **Terms, Recapture and Default.** Fifteen (15) year deferred payment loan at 0% interest. Full balance due if property is sold, rented, refinanced or the property fails to be the primary residence during the fifteen years term. Notwithstanding the previous restrictions, the owner shall be allowed to refinance without being subject to the provisions set forth therein so long as the amount of the refinancing does not exceed the then outstanding balance of the first mortgage. Subordination will only be approved if the refinancing will lower the current mortgage payment and/or interest rate.

In the event that property is refinanced within 12 months of the expiration of the affordability period, and the refinance includes a cash-out of equity, the City shall be reimbursed using the following formula:

Dollar Amount of Lien multiplied by [Number of Months Remaining on Lien//Total Lien Period] = Reimbursement Amount

Additionally, if the unit is sold prior to the extinction of the affordability period, part of the equity produced by the sale shall be also reimbursed to the City as follows: If the unit is sold between the first and the tenth year, 50% of the profit shall be paid to the City; if the unit is sold between the eleventh and the fifteenth year, 25% of the profit shall be paid to the City.

The City's interests will be secured through the execution of a mortgage and note as well as a Restrictive Covenant delineating the affordability period and terms.

- f. **Recipient Selection Criteria:** All recipients of assistance must meet the

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eligibility requirements as stipulated in the applicable Florida Statutes, SHIP Rule, and this Plan. Applicants will be selected from a waiting list on a first come, first ready basis. According to SHIP Program regulations, 30% of the total number of recipients of assistance must be very low income applicants; 30% could be low-income applicants and the balance will be assigned to moderate income applicants. .

- g. **Sponsor Selection Criteria:** See Section I (P).
- h. **Additional Information:** Mobile homes and trailers are not eligible for this strategy. Eligible housing must be located within the corporate limits of Miami Beach. All prospective housing units must be either vacant or owner-occupied at the time of initial purchase. All sponsors receiving SHIP funds will be required to offer Home Ownership Training to prospective homebuyers. See Section I (J) for further information.

C. Closing Costs and Down Payment:

- a. **Summary of the Strategy:** Closing costs and down payment assistance will be made available for the purchase of scattered sites units (e.g. condominium units) undertaken by a selected sponsor, thus providing affordable home ownership opportunities to qualified persons.
- b. **Fiscal Years Covered:** 2010/11, 2011/12 and 2012/13
- c. **Income Categories to be served:** Eligible persons/households that are very low, low or moderate income. See Section I (L).
- d. **Maximum award is noted on the Housing Delivery Goals Charts:** \$60,000 for Very Low and Low Income Persons and \$40,000 for Moderate Income Persons
- e. **Terms, Recapture and Default:** Fifteen (15) years deferred payment loan at 0% interest. Full balance due if property is sold, rented, refinanced or the property fails to be the primary residence during the 15-year term. Notwithstanding the previous restrictions, the owner shall be allowed to refinance without being subject to the provisions set forth therein so long as the amount of the refinancing does not exceed the then outstanding balance of the first mortgage. Subordination will only be approved if the refinancing will lower the current mortgage payment and/or interest rate.

In the event that property is refinanced within 12 months of the expiration of the affordability period, and the refinance includes a cash-out of equity, the City shall be reimbursed using the following formula:

Dollar Amount of Lien multiplied by [Number of Months Remaining on

Lien//Total Lien Period] = Reimbursement Amount

Additionally, if the unit is sold prior to the extinction of the affordability period, part of the equity produced by the sale shall be reimbursed to the City as follows: If the unit is sold between the first and the tenth year, 50% of the profit shall be paid to the City; if the unit is sold between the 11th and 15th year, 25% of the profit shall be paid to the City.

The City's interests will be secured through the execution of a mortgage and note as well as a Restrictive Covenant delineating the affordability period and terms.

- f. **Recipient Selection Criteria:** All recipients of assistance must meet the eligibility requirements as stipulated in the applicable Florida Statutes, SHIP Rule, and this Plan. Applicants will be selected from a waiting list on a first come, first ready basis. According to SHIP Program regulations, 30% of the total number of recipients of assistance must be very low income applicants; 30% may be low-income applicants; and the balance will be assigned to moderate income applicants.
- g. **Sponsor Selection Criteria:** See Section I (P) of this Plan.
- h. **Additional Information:** Mobile homes and trailers are not eligible for this strategy. Eligible housing must be located within the corporate limits of the City of Miami Beach. All prospective housing units must be either vacant or owner-occupied at the time of initial purchase. All sponsors receiving SHIP funds will be required to offer Home Ownership Training to prospective homebuyers (See Section I (J) of this Plan for further information).

D. Rehabilitation of Multi-family Buildings for Condominium Conversion:

- a. **Summary of the Strategy:** Rehabilitation of vacant multi-family buildings to be converted into condominium units to be offered to income eligible participants. In buildings with ten (10) or less units all the units will be provided to income eligible participants in the homebuyer program. In buildings with more than ten (10) units, up to forty percent of the units will be provided through the program and the balance of the units could be sold at market rate. Any profits in an eligible project will be utilized to provide additional homeownership opportunities.

Rehabilitated units and newly-constructed housing utilizing SHIP funds must include at least four (4) of the following green strategies in order to promote environmentally sustainable housing:

- 1) Energy conservation (including Envelope and Equipment)

- 2) Water conservation
- 3) Preservation of wildlife habitat
- 4) Healthy environment
- 5) Durability (including sustainable materials)
- 6) Access and transportation

Further guidance is provided via Green Home Certification, Schedule A, Version 5.0 by the Florida Green Building Coalition, Inc.

- b. **Fiscal Years Covered:** 2010/11, 2011/12 and 2012/13
- c. **Income Categories to be served:** Eligible persons/households that are very low, low, or moderate income. See Section I (L) of this Plan.
- d. **Maximum award is noted on the Housing Delivery Goals Charts:**
\$40,000
- e. **Terms, Recapture and Default:** Thirty (30) year deferred payment loan at 0% interest. Full balance due if property is sold, rented, refinanced or the property fails to be used for affordable housing during the thirty year term. The City may impose a reverter provision at the end of the term if it is found to be in the best interest of City to maintain the affordable housing beyond the affordability period. Notwithstanding the previous restrictions, the owner shall be allowed to refinance without being subject to the provisions set forth therein so long as the amount of the refinancing does not exceed the then outstanding balance of the first mortgage. Subordination will only be approved if the refinancing will lower the current mortgage payment and/or interest rate.

Additionally, if the building is sold after the tenth year of the affordability period but prior to the extinction of the affordability period, in addition to the full repayment of the SHIP loan, part of the equity produced by the sale shall be also reimbursed to the City as follows: If the unit is sold between the eleventh and twentieth year, 50% of the profit shall be paid to the City; if the units is sold between the twenty-first and thirtieth year, 30% of the profit.

The City's interests will be secured through the execution of a mortgage and note as well as a Restrictive Covenant delineating the affordability period and terms and City's reverter position, if applicable.

- f. **Recipient Selection Criteria:** All recipients of assistance must meet the eligibility requirements as stipulated in the applicable Florida Statutes, SHIP Rule, and this Plan. Applicants will be selected from a waiting list

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on a first come, first ready basis. According to SHIP Program regulations, 30% of the total number of recipients of assistance must be very low income applicants; 30% may be low-income applicants, and the balance will be assigned to moderate income applicants.

- g. **Sponsor Selection Criteria:** See Section I (P) of this Plan.
- h. **Additional Information:** Eligible housing must be located within the corporate limits of the City of Miami Beach. All prospective housing units must be either vacant or owner-occupied at the time of initial purchase. All sponsors receiving SHIP funds will be required to offer Home Ownership Training to prospective homebuyers (See Section I (J) of this Plan).

E. Rental Housing Development:

- a. **Summary of the Strategy:** SHIP Program funds will be made available towards the rehabilitation of vacant multi-family buildings to be converted into rental units to be offered to income-eligible participants. In buildings with ten (10) or less units, all the units will be provided to income eligible participants in the program. In buildings with more than ten units, up to forty percent of the units will be provided through the Program in accordance with SHIP Rule and defined percentages of funding allowed for rental units. The balance of the units will be distributed in accordance to other funding sources rules and regulations.

Rehabilitated units and newly-constructed housing utilizing SHIP funds must include at least four (4) of the following green strategies in order to promote environmentally sustainable housing:

- 1) Energy conservation (including Envelope and Equipment)
- 2) Water conservation
- 3) Preservation of wildlife habitat
- 4) Healthy environment
- 5) Durability (including sustainable materials)
- 6) Access and transportation

Further guidance is provided via Green Home Certification, Schedule A, Version 5.0 by the Florida Green Building Coalition, Inc.

- b. **Fiscal Years Covered:** 2010/11, 2011/12 and 2012/13
- c. **Income Categories to be served:** Eligible persons/households that are very low, low or moderate income. See Section I (L) of this Plan.
- d. **Maximum award is noted on the Housing Delivery Goals Charts:**

\$40,000

- e. **Terms, Recapture and Default:** A Thirty (30) year deferred payment loan at 0% interest. Full balance of the SHIP subsidy will be due if the property is sold or transferred, or the property fails to be used for affordable housing during the thirty year term. The City may impose a reverter provision at the end of the term if it is found to be in the best interest of City to maintain the affordable housing beyond the affordability period.

Additionally, if the building is sold after the tenth year of the affordability period but prior to the extinction of the affordability period, in addition to the full repayment of the SHIP loan, part of the equity produced by the sale shall be also reimbursed to the City as follows: If the unit is sold between the eleventh and twentieth year, 50% of the profit shall be paid to the City; if the units is sold between the twenty-first and thirtieth year, 30% of the profit.

The City's interests will be secured through the execution of a mortgage and note as well as a Restrictive Covenant delineating the affordability period and terms.

- f. **Recipient Selection Criteria:** All recipients of assistance must meet the eligibility requirements as stipulated in the applicable Florida Statutes, SHIP Rule, and this Plan. Applicants will be selected from a waiting list on a first come, first ready basis. According to the SHIP Program regulations, 30% of the total number of recipients of assistance must be very low income applicants; 30% can be low-income applicants, and the balance will be assigned to moderate income applicants.
- g. **Sponsor Selection Criteria:** See Section I (P) of this Plan.
- h. **Additional Information:** Mobile homes and trailers are not eligible for this strategy. Eligible housing must be located within the corporate limits of Miami Beach. All prospective housing units must be either vacant or owner-occupied at the time of initial purchase.

F. Workforce Housing:

- a. **Summary of the Strategy:** Acquisition/Rehabilitation of multifamily buildings to provide rental units to Essential Service Personnel. Down payment, closing costs and rehabilitation assistance will be also provided to Essential Service Personnel (as defined in Section I (Q) of this Plan) for the purchase of scattered housing that will be occupied as their primary residence.

Rehabilitated units and newly-constructed housing utilizing SHIP funds must include at least four (4) of the following green strategies in order to promote environmentally sustainable housing:

- 1) Energy conservation (including Envelope and Equipment)
- 2) Water conservation
- 3) Preservation of wildlife habitat
- 4) Healthy environment
- 5) Durability (including sustainable materials)
- 6) Access and transportation

Further guidance is provided via Green Home Certification, Schedule A, Version 5.0 by the Florida Green Building Coalition, Inc.

- b. **Fiscal Years Covered:** 2010/11, 2011/12 and 2012/13
- c. **Income Categories to be served:** For the segment of SHIP funding in the project, the Program will serve eligible persons/households that are very low, low, or moderate income (up to 120% AMI). Other funding sources will be also available to applicants at or below 120% AMI. See Section I (L) of this Plan. Income categories for services provided under other funding sources, could be up to 140% of Area Media Income or as determined by the criteria of such sources.
- d. **Maximum award is noted on the Housing Delivery Goals Charts:**
\$40,000
- e. **Terms, Recapture and Default:** A Thirty (30) year deferred payment loan at 0% interest. Full balance of the SHIP subsidy will be due if the property is sold or transferred, or the property fails to be used for affordable housing during the thirty year term. The City may impose a reverter provision at the end of the term if it is found to be in the best interest of City to maintain the affordable housing beyond the affordability period.

Additionally, if the building is sold after the tenth year of the affordability period but prior to the extinction of the affordability period, in addition to the full repayment of the SHIP loan, part of the equity produced by the sale shall be also reimbursed to the City as follows: If the unit is sold between the eleventh and twentieth year, 50% of the profit shall be paid to the City; if the units is sold between the twenty-first and thirtieth year, 30% of the profit.

The City's interests will be secured through the execution of a mortgage

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and note as well as a Restrictive Covenant delineating the affordability period and terms.

- f. **Recipient Selection Criteria:** All recipients of SHIP assistance must meet the eligibility requirements as stipulated in applicable Florida Statutes, SHIP Rule, and this Plan. Applicants will be selected from a waiting list on a first come, first ready basis. According to the SHIP Program regulations, 30% of the total number of recipients of assistance must be very low income applicants; 30% may be low-income applicants, and the balance will be assigned to moderate income applicants.
- g. **Sponsor Selection Criteria:** See Section I (P) of this Plan.
- h. **Additional Information:** Mobile homes and trailers are not eligible for this strategy. Eligible housing must be located within the corporate limits of the City of Miami Beach. All prospective housing units must be either vacant or owner-occupied at the time of initial purchase.

G. Foreclosure Prevention Strategy:

- a. **Summary of the Strategy:** Provision of one-time assistance to assist income-eligible homeowners at risk of foreclosure as a result of delinquency or default of their mortgage payments if such default was caused by unforeseen circumstances such as loss of income, divorce, medical issues, special assessment (i.e. 40-year certification, roof replacement, construction, or rehabilitation), etc. Participation in housing and credit counseling will be required for households receiving this assistance, and participants must demonstrate capacity to sustain the housing if they receive this assistance. Assistance can only be provided for SHIP eligible activities.
- b. **Fiscal Years Covered:** 2010/11, 2011/12 and 2012/13
- c. **Income Categories to be served:** Eligible persons/households that are very low, low or moderate income. See Section I (L) of this Plan.
- d. **Maximum award is noted on the Housing Delivery Goals Charts:** \$10,000
- e. **Terms, Recapture and Default:** A Fifteen (15) year deferred payment loan at 0% interest. Full balance of the SHIP subsidy will be due if the property is sold or transferred.

In the event that property is refinanced within 12 months of the expiration of the affordability period, and the refinance includes a cash-out of equity, the City shall be reimbursed using the following formula:

City of Miami Beach LHAP

Dollar Amount of Lien multiplied by [Number of Months Remaining on Lien//Total Lien Period] = Reimbursement Amount

The City's interests will be secured through the execution of a mortgage and note as well as a Restrictive Covenant delineating the affordability period and terms.

- f. **Recipient Selection Criteria:** All recipients of SHIP assistance must meet the eligibility requirements as stipulated in applicable Florida Statutes, SHIP Rule, and this Plan. Applicants will be selected from a waiting list on a first come, first ready basis. According to the SHIP Program regulations, 30% of the total number of recipients of assistance must be very low income applicants; 30% may be low-income applicants, and the balance will be assigned to moderate income applicants.
- g. **Sponsor Selection Criteria:** See Section I (P) of this Plan.
- h. **Additional Information:** Housing at risk of foreclosure must be located within the corporate limits of the City of Miami Beach. Assistance can only be provided for eligible expenses.

III. LHAP INCENTIVE STRATEGIES

In addition to Strategy A and Strategy B listed below, list all incentives as provided in 420.9076(4) FS.

A. Name of the Strategy: Expedited Permitting

Permits as defined in s. 163.3164(7) and (8) for affordable housing projects are expedited to a greater degree than other projects.

- a. **Established policy and procedures:** This incentive gives priority to designated affordable housing projects when scheduling pre-design conferences with relevant City agencies including, but not limited to: Fire, Planning and Zoning, Building, Historic Preservation, and the Office of Real Estate, Housing and Community Development. Also, when the plans are ready for permitting, first priority is given; further, the City has developed a form to identify the projects reviewed by the Office of Real Estate, Housing & Community Development. The incentive was enacted by administrative action on February, 1997.

B. Name of the Strategy: Ongoing Review Process

An ongoing process for review of local policies, ordinances, regulations and plan provisions that increase the cost of housing prior to their adoption.

- a. Established policy and procedures: Prior to the adoption of any proposed policy, procedure, ordinance, development plan, regulation, or Comprehensive Plan amendment that might impact housing, the City evaluates its potential effect and cost on affordable housing through the Director of the Office of Real Estate, Housing & Community Development. The Office of Real Estate, Housing and Community Development may present proposed legislation to applicable City boards and committees for their review as they may impact housing. The incentive was enacted by administrative action on February 1997.

Exhibit A
ADMINISTRATIVE BUDGET

Exhibit B

TIMELINE

Exhibit C

HOUSING DELIVERY GOALS

Exhibit D

CERTIFICATION PAGE

Exhibit E

ADOPTING RESOLUTION

RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, APPROVING AND ADOPTING THE ATTACHED LOCAL HOUSING ASSISTANCE PLAN FOR THE STATE HOUSING INITIATIVES PARTNERSHIP (SHIP) PROGRAM FOR FISCAL YEARS 2010/11, 2011/12, AND 2012/13, AS REQUIRED BY THE STATE HOUSING INITIATIVES PARTNERSHIP PROGRAM ACT, SUBSECTIONS 120.907-420.9079, FLORIDA ADMINISTRATIVE CODE; AUTHORIZING THE NECESSARY CERTIFICATIONS BY THE MAYOR AND THE CITY CLERK; AUTHORIZING SUBMISSION OF THE LOCAL HOUSING ASSISTANCE PLAN FOR REVIEW AND APPROVAL BY THE FLORIDA HOUSING FINANCE CORPORATION; AUTHORIZING THE APPROPRIATION OF SHIP PROGRAM FUNDS FOR FISCAL YEARS 2010/11, 2011/12 AND 2012/13 IN AMOUNTS TO BE DETERMINED, OR SUCH FINAL ALLOCATION AMOUNTS, AS ADJUSTED BY THE FLORIDA HOUSING FINANCE CORPORATION; AND AUTHORIZING THE APPROPRIATION OF ANY INTEREST ACCRUED THEREON, FOR ELIGIBLE ACTIVITIES UNDER THE SHIP PROGRAM RULES.

WHEREAS, the State of Florida enacted the William E. Sadowski Affordable Housing Act (the Act) on July 7, 1992, allocating a portion of new and existing documentary stamp taxes on deeds to local governments for development and maintenance of housing through the State Housing Initiatives Partnership (SHIP) Program; and

WHEREAS, the Act requires that in order to qualify for funding, local governments prepare and submit a Local Housing Assistance Plan outlining how the funds will be used; and

WHEREAS, on April 14, 2007, pursuant to Resolution No. 2004-25537, the Mayor and City Commission approved and adopted a City of Miami Beach Housing Assistance Plan for Fiscal Years 2007/08, 2008/09 and 2009/10, pursuant to the requirements of the Act and the SHIP Program Rule, issued by the Florida Housing Finance Corporation; and

WHEREAS, 10% of the Local Housing Distribution and five percent of accrued interest is allocated to pay for administrative costs; and

WHEREAS, the Administration has prepared a new Local Housing Assistance Plan, as attached to this Resolution, for Fiscal Years 2010/11, 2011/12 and 2012/13, in order to qualify to receive annual allocations of SHIP Program funds for eligible housing activities; and

WHEREAS, this Resolution authorizes the appropriation of SHIP Program funds for Fiscal Year 2010/11, 2011/12 and 2012/13 in amounts to be determined by the State; or such final allocation amounts, as adjusted by the Florida Housing Finance Corporation; and authorizes the appropriation of any interest accrued thereon, for eligible activities under the SHIP Program Rule.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, that the Mayor and City Commission hereby approve and adopt the attached Local Housing Assistance Plan for the State Housing Initiatives Partnership (SHIP) Program for Fiscal Years 2010/11, 2011/12 and 2012/13; authorize the necessary certifications by the Mayor and the City Clerk; authorize submission of the Local

Housing Assistance Plan for review and approval by the Florida Housing Finance Corporation; authorize the appropriation of SHIP Program funds for Fiscal Years 2010/11, 2011/12 and 2012/13 in amounts to be determined by the State; or such final allocation amounts, as adjusted by the Florida Housing Finance Corporation; and authorize the appropriation of any interest accrued thereon, for eligible activities under the SHIP Program Rule.

Passed and adopted this _____ day of _____, 2010.

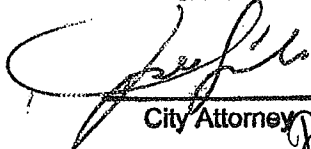
MAYOR

ATTEST:

CITY CLERK

T:\AGENDA\2010\April 14\Consent\HAPResolutionfinal.doc

APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION



City Attorney

4/2/10

Date

Exhibit F

PROGRAM INFORMATION SHEET

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